

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:

CELSIUS NETWORK LLC, *et al.*,<sup>1</sup>

Debtors.

)  
) Chapter 11  
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) Case No. 22-10964 (MG)

) (Jointly Administered)  
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**STIPULATION AND AGREED  
ORDER BETWEEN THE OFFICIAL  
COMMITTEE OF UNSECURED CREDITORS,  
THE INITIAL CONSENTING SERIES B PREFERRED  
HOLDERS, AND THE DEBTORS REGARDING LITIGATION STAY**

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This stipulation and agreed order (this “Stipulation and Order”) is entered into this 30th day of June, 2023, by and among the above-captioned debtors and debtors in possession (collectively, the “Debtors”), the official committee of unsecured creditors (the “Committee”), Community First Partners, LLC, Celsius SPV Investors, LP, Celsius New SPV Investors, LP, and CDP Investissements Inc. (the “Initial Consenting Series B Preferred Holders” and, together with the Debtors and the Committee, the “Parties”).

**WHEREAS**, on July 13, 2022 (the “Petition Date”), each of the Initial Debtors filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), and on on December 7, 2022, each of the GK8 Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtors are operating their businesses and

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<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); Celsius US Holding LLC (7956) (collectively, the “Initial Debtors”); GK8 Ltd. (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450) (collectively, the “GK8 Debtors”). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.

managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code;

**WHEREAS**, on July 27, 2022, the United States Trustee appointed the Committee [Docket No. 241];

**WHEREAS** on March 9, 2023, the Bankruptcy Court issued the *Memorandum Opinion Regarding Which Debtor Entities Have Liability for Customer Claims Under the Terms of Use* [Docket No. 2205] (the “Contract Liability Opinion”), finding that only Celsius Network LLC (“LLC”), not Celsius Network Limited (“CNL”) or any other Debtor or non-Debtor affiliate, is contractually liable to account holders under the Terms of Use;

**WHEREAS** on March 17, 2023, the Bankruptcy Court entered the *Order Regarding Which Debtor Entities Have Liability for Customer Contract Claims Under the Terms of Use* [Docket No. 2265] (the “Contract Liability Order”), implementing the Contract Liability Opinion;

**WHEREAS** on March 31, 2023, the Committee filed a *Notice of Appeal* [Docket No. 2356] regarding the Contract Liability Opinion and Contract Liability Order (the “Contract Liability Appeal”);

**WHEREAS** on April 4, 2023, the Initial Consenting Series B Preferred Holders filed the *Series B Preferred Holders’ Motion for Entry of an Order Establishing Estimation Procedure for the Intercompany Claim Between Celsius Network LLC and Celsius Network Limited in Furtherance of Formulating the Debtors’ Plan of Reorganization* [Docket No. 2367] (the “Initial Consenting Series B Preferred Holders Estimation Motion”);

**WHEREAS** on April 4, 2023 the *Committee filed the Motion of the Official Committee of Unsecured Creditors for Entry of an Order (I) Establishing Procedures to Estimate the Intercompany Claim that Celsius Network, LLC Has Against Celsius Network Limited and*

(II) *Granting Related Relief* [Docket No. 2369] (together with the Initial Consenting Series B Preferred Holders Estimation Motion, the “Estimation Motions”);

**WHEREAS** on April 10, 2023, the Committee filed the *Motion of the Official Committee of Unsecured Creditors (I) for Authority to File a Class Claim Asserting Non-Contract Claims on Behalf of Account Holders or (II) to Appoint a Third-Party Fiduciary to Assert a Class Claim on Behalf of Account Holders* [Docket. No. 2399];

**WHEREAS** on April 14, 2023, the Initial Consenting Series B Preferred Holders filed the *Series B Holders’ Objection to the Motion of the Official Committee of Unsecured Creditors (I) for Authority to File a Class Claim Asserting Non-Contract Claims on Behalf of Account Holders or (II) to Appoint a Third-Party Fiduciary to Assert a Class Claim on Behalf of Account Holders* [Docket No. 2467];

**WHEREAS** on April 15, 2023, the Debtors filed the *Debtors’ Limited Objection to (I) the Series B Preferred Holders’ Motion for Intercompany Claim Estimation Procedures and (II) the Official Committee of Unsecured Creditors’ Motion for Intercompany Claim Estimation Procedures* [Docket No. 2472], arguing that intercompany claim estimation, substantive consolidation, and fraudulent transfer issues should be briefed in parallel;

**WHEREAS** on April 15, 2023, the Committee filed the *Limited Objection of the Official Committee of Unsecured Creditors to the Series B Preferred Holders’ Motion for Entry of an Order Establishing Estimation Procedure for the Intercompany Claim Between Celsius Network LLC and Celsius Network Limited in Furtherance of Formulating the Debtors’ Plan of Reorganization* [Docket No. 2471];

**WHEREAS** on April 18, 2023, the Bankruptcy Court entered the *Order Granting the Motion of the Official Committee of Unsecured Creditors (I) for Authority to File a Class Claim*

*Asserting Non-Contract Claims on Behalf of Account Holders or (II) to Appoint a Third-Party Fiduciary to Assert Non-Contract Claims on Behalf of Account Holders* [Docket No. 2496] (the “Class Claim Order”);

**WHEREAS** on April 24, 2023, the Bankruptcy Court entered the *Order Setting Schedule Regarding (I) Estimation of Certain Intercompany Contract Claims Between Celsius Network LLC and Celsius Network Limited, (II) Substantive Consolidation of Celsius Network LLC and Celsius Network Limited, and (III) Constructive Fraudulent Transfer Claim* [Docket No. 2522] (the “Phase II Scheduling Order”) establishing a schedule for briefing (a) the estimation of the intercompany claim held by LLC against CNL for allowance purposes, (b) the substantive consolidation of LLC and CNL, and (c) a constructive fraudulent transfer claim that the Committee alleged may be brought on behalf of LLC’s estate against CNL (together, the “Confirmation Issues”);

**WHEREAS** on April 29, 2023, the Committee filed Proof of Claim No. 29068 on the Debtors’ claims register (the “Class Claim”) [Docket No. 2556];

**WHEREAS** on May 1, 2023, in accordance with the Phase II Scheduling Order, the Debtors filed the *Debtors’ Motion Seeking Entry of an Order (I) Substantively Consolidating the Estates of Celsius Network Limited and Celsius Network LLC and (II) Granting Related Relief* [Docket No. 2563] (the “Debtors’ Substantive Consolidation Motion”);

**WHEREAS** on May 1, 2023, in accordance with the Phase II Scheduling Order, the Committee filed the *Motion by the Official Committee of Unsecured Creditors for Entry of an Order Substantively Consolidating the Estates of Celsius Network Limited and Celsius Network LLC, and Joinder in the Debtors’ Motion Seeking the Same Relief* [Docket No. 2565]

(the “Committee’s Substantive Consolidation Motion” and together with the Debtors’ Substantive Consolidation Motion, the “Substantive Consolidation Motions”);

**WHEREAS** on May 1, 2023, in accordance with the Phase II Scheduling Order, the Debtors filed the *Joint Stipulation and Agreed Order Between the Official Committee of Unsecured Creditors and the Debtors With Respect to Certain Claims and Causes of Action Set Forth in the Scheduling Order* [Docket No. 2562] (the “Fraudulent Transfer Standing Stipulation”), agreeing to provide the Committee with derivative standing to pursue a constructive fraudulent transfer claim that the Committee alleged may be brought on behalf of LLC’s estate against CNL;

**WHEREAS** on May 1, 2023, in accordance with the Phase II Scheduling Order, the Committee, on behalf of LLC’s estate, commenced an adversary proceeding and filed a complaint against CNL [Adv. No. 23-01104, Docket No. 1] (the “Fraudulent Transfer Complaint”), alleging that certain transfers between CNL and LLC constituted fraudulent transfers;

**WHEREAS** on May 2, 2023, the Initial Consenting Series B Preferred Holders filed a *Notice of Appeal* [Docket No. 2576] regarding the Class Claim Order (the “Class Claim Appeal”);

**WHEREAS** on May 17, 2023, the Committee filed the *Motion of the Official Committee of Unsecured Creditors to (I) Certify the Class of Account Holders Asserting Non-Contract Claims Against the Debtors, (II) Appoint Thomas DiFiore, Rebecca Gallagher, and Ignat Tuganov as the Class Representatives, and (III) Appoint White & Case LLP as Class Counsel, in Each Case Pursuant to Bankruptcy Rule 7023* [Docket No. 2670] (the “Class Certification Motion”);

**WHEREAS** on May 26, 2023, the Bankruptcy Court approved the *Fraudulent Transfer Standing Stipulation* [Docket No. 2716];

**WHEREAS** on June 12, 2023, the Bankruptcy Court entered the *Order Establishing Schedule for Litigation of the Motion of the Official Committee of Unsecured Creditors to (I) Certify the Class of Account Holders Asserting Non-Contract Claims Against the Debtors, (II) Appoint Thomas DiFiore, Rebecca Gallagher, and Ignat Tuganov as the Class Representatives, and (III) Appoint White & Case LLP as Class Counsel, in Each Case Pursuant to Bankruptcy Rule 7023* [Docket No. 2795] (the “Class Certification Scheduling Order”);

**WHEREAS** on June 12, 2023, the Initial Consenting Series B Preferred Holders stipulated with the Committee for voluntary dismissal without prejudice of the Class Claim Appeal;

**WHEREAS** on June 15, 2023, the Class Claim Appeal was dismissed without prejudice;

**WHEREAS** June 30, 2023 is the deadline for the Parties to file opening briefs regarding the Confirmation Issues under the Phase II Scheduling Order;

**WHEREAS** July 10, 2023 is the deadline for (i) the Initial Consenting Series B Preferred Holders to file their response brief in the Contract Liability Appeal proceedings and (ii) all Parties to file response briefs under the Phase II Scheduling Order;

**WHEREAS** July 12, 2023 is the deadline for the Committee to file any affirmative expert reports under the Class Certification Scheduling Order;

**WHEREAS** a trial is to be held the week of July 24, 2023 under the Phase II Scheduling Order;

**WHEREAS** July 28, 2023 is the deadline for the Committee to file a brief in support of the Class Certification Motion under the Class Certification Scheduling Order;

**WHEREAS** August 10, 2023 is the deadline for the Series B Preferred Holders to file a brief in opposition under the Class Certification Scheduling Order;

**WHEREAS** August 16, 2023 is the deadline for the Committee to file a response brief under the Class Certification Scheduling Order;

**WHEREAS** a hearing is to be held during the week of September 25, 2023 under the Class Certification Scheduling Order;

**WHEREAS**, on June 27, 2023, the Debtors, the Committee, and the Initial Consenting Series B Preferred Holders filed the *Joint Motion for Entry of an Order (I) Approving the Settlement By and Among the Debtors, the Committee, and the Initial Consenting Series B Preferred Holders and (II) Granting Related Relief* [Docket No. 2899], which: (a) requests approval of the settlement agreement attached thereto as Exhibit 1 (the “Settlement Agreement”) between the Debtors, the Committee, and any holders of Series B preferred stock issued by CNL who consent to the settlement agreement (the “Consenting Series B Preferred Holders”), (b) seeks entry of the *Order (I) Approving the Settlement By and Among the Debtors, the Committee, and the Consenting Series B Preferred Holders and (II) Granting Related Relief* (the “Settlement Approval Order”), and (c) sets forth the Parties’ agreement to temporarily stay or extend the deadlines under the Class Certification Scheduling Order and the Phase II Scheduling Order until the Settlement Approval Order has been entered.

**IT IS THEREFORE STIPULATED AND AGREED, AND UPON BANKRUPTCY COURT APPROVAL HEREOF, IT IS HEREBY ORDERED THAT:**

1. The foregoing recitals are incorporated herein by reference.
2. Deadlines under the Class Certification Scheduling Order applicable to the Parties are hereby adjourned *sine die*. If such deadlines are not obviated by the Settlement Approval Order, the Parties shall jointly propose a new schedule for litigation concerning the Class Certification Motion.

3. Deadlines under the Phase II Scheduling Order applicable to the Parties are hereby adjourned *sine die*. If such deadlines are not obviated by the Settlement Approval Order, the Parties will jointly propose to the Bankruptcy Court a new schedule for litigation concerning the Confirmation Issues solely with respect to the Debtors, the Committee, and the Consenting Series B Preferred Holders.

4. For the avoidance of any doubt, this Stipulation and Order does not modify any deadline in the Class Certification Scheduling Order or Phase II Scheduling Order as to any party in interest that is not a Party to this Stipulation and Order. Nothing in this Stipulation and Order, whether express or implied, shall be construed to give to any person or entity other than the Parties any legal or equitable right, remedy, interest, or claim under or in respect of this Stipulation and Order.

5. The Parties are authorized to take all actions necessary to effectuate the relief set forth in this Stipulation and Order.

6. The Parties' rights with respect to all other matters, including, without limitation, the claims set forth in the Class Certification Motion, Substantive Consolidation Motions, the Fraudulent Transfer Complaint, and the Contract Liability Appeal (including any remedies therefor) shall be reserved and preserved except as otherwise provided in the Settlement Agreement.

7. The Parties acknowledge that they have participated in and jointly consented to the drafting of this Stipulation and Order and that any claimed ambiguity shall not be construed for or against either Party on account of such drafting.

8. Each of the Parties to this Stipulation and Order represents and warrants it is duly authorized to enter into and be bound by this Stipulation and Order.



9. This Stipulation and Order may be executed in identical counterparts, including by facsimile and/or electronic mail, each of which shall be deemed an original, but all of which together constitute one and the same instrument.

10. This Stipulation and Order shall be effective and enforceable immediately upon entry.

11. The Court retains jurisdiction with respect to any disputes arising from or other actions to interpret, administer, or enforce the terms and provisions of this Stipulation and Order, and the Parties hereby consent to such jurisdiction to resolve any disputes or controversies arising from or related to the implementation of this Stipulation and Order.

**IT IS SO ORDERED.**

Dated: July 5, 2023  
New York, New York

/s/ Martin Glenn  
MARTIN GLENN  
Chief United States Bankruptcy Judge

**IN WITNESS WHEREOF**, the Parties, by their respective authorized counsel, have  
executed this Stipulation and Order as of the date written below:

New York, New York  
Dated: June 30, 2023

/s/ Aaron E. Colodny

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*/s/ Dennis F. Dunne*

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*/s/ Joshua M. Mester*

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